



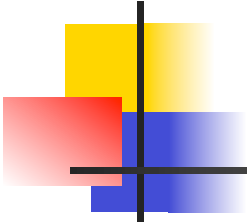
# Public Safety Personnel Retirement System Corrections Officer Retirement Plan Elected Officials' Retirement Plan

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“Spiking” – Fire Vs. Police; Rural Vs. Metro

Report Prepared For  
The Defined Contribution and Retirement Study  
Committee

November 22, 2011

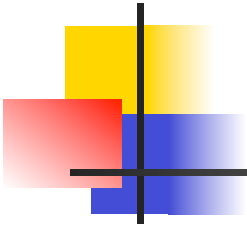


At the October 2012 meeting, the Defined Contribution and Retirement Study Committee asked to see the PSPRS spiking study data as:

- Fire versus Police
- Rural versus Metro

The studies were done by taking the spiking study data provided to the committee last month and splitting it based on Fire versus Police Districts, and comparing rural to metro. The greater Phoenix, Tucson, Flagstaff and Yuma areas were considered metro; all others were considered rural.

# Public Safety - Fire vs. Police

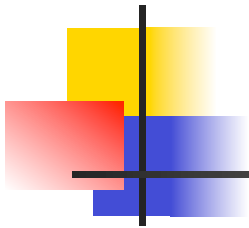


The table below shows the percent of retirees who retired from 2008 through 2011, where the high three year average exceeded 25% of the previous three year average (column 2). The data counts are in column 3, and the variance between Police and Fire Precincts is shown in column 4.

Year	Variance > 25%	Counts	Difference – Fire vs. Police
2011	29/128 = 22.60%	Police 23 /Fire 6	Police 6.14% greater than Fire
2010	42/154 = 27.27%	Police 36/Fire 6	Fire 6.75% greater than Police
2009	39/131 = 29.77%	Police 28/Fire 11	Police 1.91% greater than Fire
2008	38/151 = 25.16%	Police 30/Fire 8	Fire 4.55% greater than Police

**The data is inconclusive and does not suggest a trend.**

# Public Safety - Rural vs. Metro

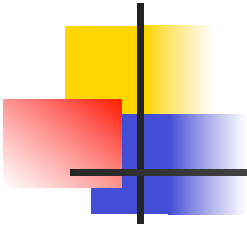


The table below shows the percent of retirees who retired from 2008 through 2011, where the high three year average exceeded 25% of the previous three year average (column 2). The data counts are in column 3, and the variance between Rural vs. Metro is shown in column 4.

Year	Variance > 25%	Counts	Difference – Rural vs. Metro
2011	29/128 = 22.60%	Metro 21/Rural 8	Metro by 7.6%
2010	42/154 = 27.27%	Metro 35/Rural 7	Metro by 1.49%
2009	39/131 = 29.77%	Metro 25/Rural 14	Metro by .09%
2008	38/151 = 25.16%	Metro 26/Rural 12	Rural by 1.69%

**Public Safety data shows three out of four years with a greater variance in the data for Metro than Rural.**

# EORP - Rural vs. Metro

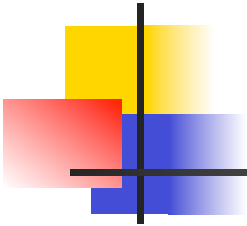


The table below shows the percent of retirees who retired from 2008 through 2011, where the high three year average exceeded 25% of the previous three year average (column 2). The data counts are in column 3, and the variance between Rural vs. Metro is shown in column 4.

Year	Variance > 25%	Counts	Difference – Rural vs. Metro
2011	5/71 = 7.04%	Metro 5/Rural 0	No Rural Data
2010	3/35 = 8.57%	Metro 2/Rural 1	Metro by 17.12%
2009	0/58 = 0.00%	Metro 0/Rural 0	No Rural or Metro data
2008	3/33 = 09.09%	Metro 3/Rural 0	No Rural Data

**For EORP data for those who retired in 2011, 2009, and 2008 there was not enough data to make a comparison. For 2010, the difference was Metro by 17.12%.**

# CORP - Rural vs. Metro



The table below shows the percent of retirees who retired from 2008 through 2011, where the high three year average exceeded 25% of the previous three year average (column 2). The data counts are in column 3, and the variance between Rural vs. Metro is shown in column 4.

Year	Variance > 25%	Counts	Difference – Rural vs. Metro
2011	16/217 = 7.37%	Metro 16/Rural 0	No Rural Data
2010	28/338 = 08.28%	Metro 26/Rural 2	Metro by 2.06%
2009	24/224 = 10.71%	Metro 22/Rural 2	Rural by .72%
2008	13/248 = 05.24%	Metro 13/Rural 0	No Rural Data

**For CORP data for those who retired in 2011 and 2008 there was not enough rural data to make a comparison. Years 2010 and 2009 do not show a pattern.**



## **Why are the data sets small, often missing rural data?**

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- Current retiree (Not in DROP)
- No unusual data issues, such as missing pay periods
- Same number of pay periods for the high 3-years and the prior 3 years.
- The salary variance between the high 3 year period compared to the prior 3 years to that period must be 25% or higher

The purpose of our study was to isolate instances where there was greater than 25% change between the high three years and the prior three years.

The results produced a small data set. Of 2011 retirees, there were only 29 for Public safety, 5 for EORP and 16 for CORP.

When that data is further split between metro vs. rural, there are cases where no rural records exist in the dataset.